REMARKS

Claims 1 - 10 remain pending in the present application. By this Amendment, claims 1 and 10 have been amended. The applicant respectfully submits that no new matter has been added. It is believed that this Amendment is fully responsive to the Office Action dated May 21, 2003.

As to the Merits

As to the merits of this case, the Examiner maintains the following rejection:

claims 1 - 10 stand rejected under 35 U.S.C. §103(a) as being unpatentable over **Okaya et**al. (of record) in view of **Masataka et al.** (of record).

This rejection is respectfully traversed.

<u>Independent Claims 1 and 6</u>:

With regard to Applicant's argument that <u>Masataka</u> only teaches a self-diagnosis function of the card reader and fails to disclose performing a self-diagnosis of the card processing device when a card is present in the reader and normal processing function when no card is in the reader when power is on, the Examiner makes the following two arguments.

U.S. Patent Application Serial No. 09/514,158 Amendment Under 37 C.F.R. §1.116 dated August 21, 2003 Response to Office Action of May 21, 2003

First, the Examiner argues that:

In view of Masataka et al's teachings, it would have been obvious for a person of ordinary skill in the art at the time the invention was made to modify the system of Okaya et al to provide a control system that could detect the presence of cards into the system wherein once a card is detected, self-diagnosis is performed to determine what type of card and to take the appropriate action. 11

However, each of the independent claims 1 and 6 call for performing a diagnosis of the card processing device and <u>not</u> the card which is present in the reader. Thus, the Examiner's argument that modifying <u>Okaya</u> to determine what type of card is present in the card reader is irrelevant since the present claimed invention according to claims 1 and 6 is concerned with performing a diagnosis of the card processing device and <u>not</u> the card.

Secondly, the Examiner argues that:

Once a card is inserted into the reader, the reader detects the card and performs self-diagnosis to establish compatability with the card. For instance, if a card is inserted into an ATM machine, the ATM machine detects the card and performs a self-diagnosis to identify the card whether the card is compatible or not with system, when no card is present the system perform its routine (normal) ATM processing function $\frac{2l}{2}$

However, again each of the independent claims 1 and 6 call for performing a diagnosis of the card processing device and <u>not</u> to establish compatability with the card.

 $^{^{1/}}$ Please see, lines 6 - 10, page 3 of the Action.

²/Please see, lines 1 - 6, page 4 of the Action.

In other words, it is respectfully submitted that the applied references of Okaya et al. and

Masataka et al., singly or in combination, fail to disclose or fairly suggest the features of claims 1

and 6 concerning "detections means for detecting said card at said card insert port" and

"wherein said control unit executes self-diagnosis processing when said detection means detects

said card when said power switch is turned ON."

Independent Claims 5 and 10:

Independent claims 5 and 10 include call for the feature that the control unit determines

whether there is device error or card error according to a plurality of diagnosis results from a

plurality of different cards.

With regard to claims 5 and 10, the Examiner has failed to rely on either of these references

Okaya et al. or Masataka et al. for disclosing the features of these claims. Moreover, it is

respectfully submitted that neither of these references is concerned with a control unit which

determines whether there is device error or card error according to a plurality of diagnosis results

from a plurality of different cards.

If, for any reason, it is felt that this application is not now in condition for allowance, the

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If, for any reason, it is felt that this application is not now in condition for allowance, the Examiner is requested to contact Applicant's undersigned attorney at the telephone number indicated below to arrange for an interview to expedite the disposition of this case.

In the event that this paper is not timely filed, Applicant respectfully petitions for an appropriate extension of time. Please charge any fees for such an extension of time and any other fees which may be due with respect to this paper, to Deposit Account No. 01-2340.

Respectfully submitted,

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